

MINUTES

WEST LAFAYETTE REDEVELOPMENT COMMISSION 609 West Navajo St., West Lafayette, Indiana Lower Level Conference Room

July 14, 2008

The meeting was called to order at 8:30 a.m. Mr. Oates, President of the Redevelopment Commission presided. The role was called.

Present: Larry Oates, Gary Lehman, Steve Curtis, Diane Damico
Absent: Linda Sorensen

Old Business:

School Board Appointment

Mayor Dennis introduced Dottie Rausch of the West Lafayette Community School Corporation. Ms. Rausch will serve as a non-voting representative on the Redevelopment Commission.

Minutes

Ms. Damico motioned to approve the minutes of the June 24, 2008 Redevelopment Commission meeting. Mr. Lehman seconded. The minutes were approved as submitted with a vote of 3-0.

TIF District Review – AV Pass-through

Mr. Oates said the Commission must decide if they are able to pass-through assessed valuation. The last two years, the Redevelopment Commission has passed-thru a portion of the assessed valuation. That pass-through portion of the assessed valuation is available to the underlying taxing jurisdictions. It increases their total assessed value for their district which lowers their tax rate.

Jim Treat, Partner, O.W. Krohn & Associates gave an update of the current financial status. Mr. Treat said the numbers from our last meeting have been adjusted according to the latest proposed numbers from the County Auditor. Mr. Treat explained that the amount distributed to all the units including the TIF districts in 2007 was based on the assessed values for 2006. Mr. Treat stated that after reviewing a number of reports

from the County, the biggest fluctuations are due to appeals within the area. After those appeals are approved, the County will process those adjustments for the taxpayers in the TIF area. In 2007 there have been some major reductions in assessed value that have translated through the new settlement numbers (the payouts to the TIF areas). Mr. Treat reviewed the historical and projected tax increment revenue and allocation fund expenditures for each of the three TIF districts. He explained the adjustments requested and received by major taxpayers to their assessed value reduces their tax bill and comes directly out of the TIF revenue. Mr. Oates commented that the appeals are not the problem; this is a fact of life under the new funding system. Mr. Treat said historically, a major reassessment was done every five to seven years and the residential and commercial values were adjusted. Trending is an attempt to keep more inline with the market which results in little adjustments every year.

Mr. Lehman asked about the timeframe for the appeals? He said the issue is the timing between the appeal and when the pass-through decision is made.

Mr. Treat said the Auditor was already off schedule last year. The people got their assessed values late and consequently their appeals were late. The Auditor is operating under the same problem of trying to make decisions and stay on schedule when the data they're receiving isn't coming in on schedule. Mr. Oates said the timeframe that we're referring to is when the appeals from trending have begun. Mr. Treat stated our concern is the uncertainty of the estimated future settlement numbers.

Ms. Damico asked if this also takes into effect the Circuit Breaker.

Mr. Treat answered that the Circuit Breaker will be phased in for pay 2009 and 2010. It's a completely different issue but will have the same impact.

Mr. Lehman commented it appears that we have a lot of uncertainty. The problem occurs when we think we have more money than we really do and how we deal with all this uncertainty so we don't get ourselves in a bigger hole.

Mr. Treat responded we need to be very conservative. At this point we just don't have the data that we need to comfortably commit to pass-through any more assessed value. It is anticipated that better data will be available next year and some of these issues will be resolved. The offices of the Treasurer and the Auditor have continued to cooperate and work with us.

Mr. Curtis inquired if the decision made today was binding for the year or if there was any mechanism that would allow reconsideration when more data was available.

It was confirmed that today's decision was binding.

Referring to the KCB TIF Area, Mr. Oates asked what the revenue would be from the \$20M pass-through that was granted last year. Mr. Treat said an additional \$375,000

without the pass-through. Mr. Oates stated that the KCB TIF District was the only district that was passed-through in the past. Each district has to stand on its own for revenues and expenditures, funds cannot be used from another district to cover a pass-through. The pass-through has always been voluntary.

Mayor Dennis commented as a point of clarification, we are still looking at the numbers and trying to determine what the end result will be and what those final numbers are. We are on a timeline and decisions have to be made. Quite clearly, this is a problem that wasn't predicted or anticipated.

Mr. Oates stated this is on an annual basis and today's determination will not affect our decision next year. We have until the end of today to make a decision.

Mr. Lehman asked for clarification of the ramifications of the decision.

Mr. Oates answered if nothing is passed-through; our best estimate is what we have discussed. If we make no decision, nothing is passed-through. We only have to make a positive decision, if we are going to pass money through. If we pass-through, we are passing assessed value, not tax rate, not dollars; we are passing what the assessed value is. The County government comes up with the actual tax rates. We can pass-through any amount but once that assessed value is passed-through it is gone for the year. We cannot go back if we decide that we have a problem.

There were no further questions from the Commission or the public.

Mr. Oates asked for a motion from a Commission member to allow the pass-through of assessed value. Hearing no motion from any Commission member, Mr. Oates stated that the Commission would not pass-through any assessed value for 2009.

Other

There was no further Old Business.

New Business:

Treasurer's Report

Redevelopment Commission Treasurer, Judy Rhodes, explained the information which was included in the financial reports to the Commission.

An updated listing of the TIF District Open Projects was explained and discussed.

Payment of Claims

Ms. Damico motioned to approve the payment of Claims. Mr. Lehman seconded.

Mr. Gall explained the claim for Advanced Restoration Company on the Wabash Landing Parking Garage Phase III work. He said they are very close to completion. They will examine some areas on the upper decks where water accumulates and correct some of those areas still within the same purchase order. The Automation Project will start this week with an anticipated completion date of August 7th. Mr. Gall said the claims for Bennett's were for plantings along Salisbury Street.

Mr. Poole said LWR Waste Removal claim is for the removal of the barrels of liquid waste from the Burnham's site.

Mr. Gall said his claim is for project management services on the Wabash Landing Parking Garage.

Mr. Payne explained the work covered by the claim from Straight Lines, Inc. which covered cleaning and filling cracks, sealing and restriping lots at the Farmer's Market and Salisbury Street basketball courts.

Mr. Oates asked if this was complete. Mr. Payne said yes.

Mr. Gall said the Bennett's claim was for Sagamore West tree and shrub maintenance.

The remaining Bennett's claim was for the installation and planting at Cumberland Park to help provide an additional buffer to the fire engines.

Mr. Oates asked are these between the fire station and Cumberland Park in Amberleigh Village? Mr. Payne answered yes.

There were no further questions

The motion to approve the payment of claims passed unanimously 3-0.

Wabash Landing Parking Garage Financial Update

Ms. Wendy Watson, Property Manager Wabash Landing, explained the financial information for the Wabash Landing Parking Garage. She stated that the automation is their big project.

Mr. Oates inquired if the elevator problem has been resolved.

Ms. Watson said it is an ongoing issue. It is getting better.

Mr. Oates said, referring to the financial reports received since May, it appears as if three out of five months had positive income cash flow. Once automation is in place, will the attendant expenses go away?

Ms. Watson replied within one to three months after the automation, we hope to see those eliminated. We will retain one employee for janitorial purposes.

Mr. Oates said you will have almost an additional \$4,000 in revenue, once that expense is gone. Mr. Oates asked when do you expect to be able to start a reserve fund? Once the last projects are completed on the parking garage, it will be your responsibility.

Ms. Watson said I will inquire about that and get back to you.

Mr. Oates said please let Mr. Curtis (Jim, Jr.) that we would like to hear what's going on in that regard now that we're bringing the garage up to an A-1 condition, we would like to know how it's going to continued to be maintained.

Other

Mr. Poole noted that prior to the meeting, he had distributed a DVD of the Roger Brooks presentation of June 25, 2008 to the Commission. He stated that it contained some valuable suggestions for improvements to the community.

Ms. Damico asked when to expect the America in Bloom recommendations.

Ms. Shaw responded we will get all of our feedback in October.

The **July 22, 2008** meeting at 8:30 a.m. was confirmed.

The August 19, 2008 meeting was changed to **August 26, 2008** at 8:30 a.m.

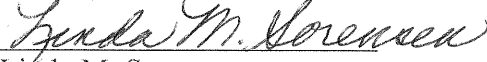
There was no further new business.


Public Comment

There was none.

Adjourn

On motion of Ms. Damico and seconded by Mr. Curtis, the meeting adjourned at 9:20 a.m.


Linda M. Sorensen,
Recording Secretary

Approved: 

Lawrence T. Oates, President

/djg